



2018 Activity Report

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The largest insurance company in Spain

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For the very first time, VidaCaixa leads all the rankings in the sector in Spain

- + Leaders in resources, premiums and contributions
- + Leaders in the life insurance market
- + Leaders in long-term savings
- + Environment: Evolution of the main economic indicators
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Letter from the Chairman

In 2018 VidaCaixa continued its excellent growth trajectory, closing the year with very satisfactory results and successfully meeting the goals set by the Strategic Plan 2015-2018.

In 2018 the United Nations recognised VidaCaixa with its maximum qualification in sustainability, making us the first and only Spanish entity, as an insurance company and pension fund manager, to obtain an A+ for the responsible management of its investments. It was the highest score of the United Nations Principles of Responsible Investment, the largest worldwide initiative devoted to promoting sustainable investment management.

We have been demonstrating our commitment to sustainability for years: 100% of our assets are analysed under environmental, social and good governance criteria (ESG). This continuous effort to maintain an investment strategy that complies with the highest standards of transparency, good governance, human rights and labour protection and the protection of the environment is precisely what made this award possible. Moreover, it is worth noting that the responsible management of investments is compatible with obtaining a higher return: the performance of VidaCaixa's pension plans is systematically above the market average in both the medium and long-term.

VidaCaixa consolidated itself as the first insurance company in Spain with almost 84,000 million euros in assets under management and enjoyed a total of premiums and contributions that amounted to more than 10,700 million euros in 2018. We retained our leadership in life insurance (with 28.4% market share) as well as in pension plans (with 24.1% of the market). This excellent positioning was also reflected in the Profit & Loss account: our net consolidated profit rose to 662.7 million euros, 4.5% more than the previous year.

We are proud to say that over 5.2 million customers in Spain and Portugal place their trust in VidaCaixa. Our commitment is to them. We kicked off our new Strategic Plan 2019-2021 with the hope of continuing our growth and adding successes to a whole century devoted to helping people protect their quality of life and prepare for retirement. I am absolutely convinced that thanks to this great team that makes up VidaCaixa and our commitment to digitalisation, excellence in service and advice, we can continue being the benchmark in quality and trust for our customers.

Gonzalo Gortázar
Chairman of VidaCaixa



Main highlights in 2018

VidaCaixa consolidated its position as the first insurance company in the country and the only one to receive the highest points from the United Nations for its responsible investment



Responsibility and excellence

The first and only insurance company and pension fund manager in Spain to receive the highest score from the **United Nations** for its responsible investment



It takes into account the **environmental, social** and **good corporate** governance of **100%** of its assets

Member of
Climate Action 100+

528 employees



Results

662.7 M€

in net profit

+4.5% with respect to 2017

MORE THAN **5.2** M

*customers**

+10.1% with respect to 2017

SOLVENCY MARGIN

999 M€

Excess capital 2018

150% over capital requirements



Business figures

LEADERS IN LIFE INSURANCE
AND PENSION PLANS

28.4%

of all premiums

24.1%

*of pension plan
assets in Spain*

THE INSURANCE COMPANY
THAT MANAGES MOST
RESOURCES

83,996 M€*

+11.7% with respect to 2017

LEADERS IN PAID-OUT BENEFITS

4,534 M€*

+15% with respect to 2017

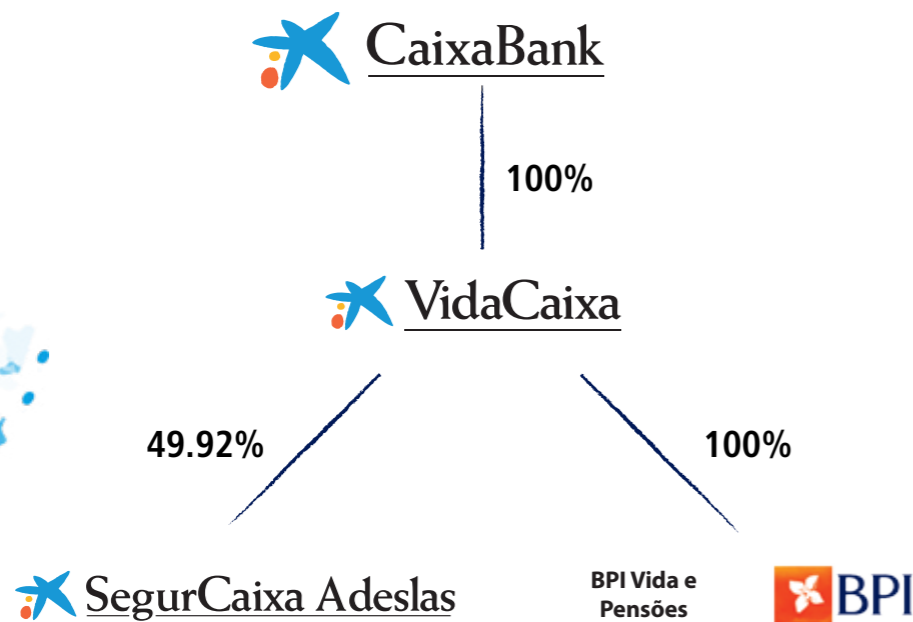
10,798.3 M€

*in premiums and
contributions**

*Includes Spain and Portugal.

Leader of the insurance sector in Spain

VidaCaixa centres its activity on the life and pension plan business. Its business model centres on expert advice to its customers and the design of specialised managed solutions in life insurance and pension plans, thereby responding to the needs of all its customers be they private individuals, SMEs, the self-employed or large companies.



There is a minority shareholding of 0.08% in SegurCaixa Adeslas.

 The first and only insurance company and pension fund manager in Spain to receive the highest score from the United Nations for responsible investment

As the insurance subsidiary of CaixaBank, its activity is integrated in the mission of the Group to contribute to the financial well-being of customers and the progress of society. This is made possible thanks to having a culture and some common values.



With this commitment as a framework, VidaCaixa analyses 100% of its assets through environmental, social and good corporate governance criteria. In 2018 VidaCaixa managed to achieve the maximum recognition by the United Nations for its responsible investment management (A+).

Key elements of VidaCaixa's business model

EFFICIENT AND STRICT
MANAGEMENT OF RISK AND
SOLVENCY

INVESTMENTS BASED ON THE
PRINCIPLES OF RESPONSIBLE
INVESTMENT (PRI)

INNOVATION IN SAVINGS AND
WELFARE PRODUCTS

OMNI-CHANNEL

FOCUS ON ADVICE TO CUSTOMERS

FIRM COMMITMENT TO QUALITY
OF SERVICE

EXCELLENCE IN TECHNOLOGY,
AUTOMATION AND EFFICIENCY

DEVELOPMENT AND LEADERSHIP OF
PROFESSIONALS

CaixaBank, leader in retail banking in the Iberian Peninsula

CaixaBank, the sole shareholder of VidaCaixa, consolidated 2018 as the leading retail bank in the Iberian Peninsula with a total of 15.7 million customers, after it completed the acquisition of BPI, the Portuguese Bank.

The entity consolidated its leadership in banking for individuals, or more specifically, 26.3% of individuals in Spain place their trust in CaixaBank as their main bank. In the case of digital banking, CaixaBank has a market penetration of 32% with more than 57% of digital customers. It is worth noting that the Bank also holds first place in medium to long-term savings as well as being advanced in digitisation and transformation initiatives.

After successfully completing its 2015–2018 Plan, the Group set up its new 2019–2021 Strategic Plan with the view to being a leading and innovative financial group with the best service for customers and as a benchmark in socially responsible banking. The Plan foresees the continuation of the transformation of the network to provide greater value to customers, the intensification of the remote and digital service model while extending the range of new products and services.

In 2018 the Company closed the year meeting all the financial targets set, which stood out for their improvement in margins and a profit of 1,985 million euros, which was 17.8% more than in 2017. On the other hand, the growth in income is worthy of note with a gross margin increase of 6.6%, the significant reduction of doubtful debt (which descended to 11,195 million euros) and the reduction in the non-performing loans to 4.7%. Customer funds rose to 358,482 million euros (+2.6%), healthy loans to 1.8% and loans to companies to 6%.

Main figures

15.7 M customers

1,985 M€ in profit attributed to the Group (+17.8% vs. 2017)

386,622 M€ total assets

+57% of CaixaBank's individual customers are digital ones

773 M€ granted in microcredits

283 branch offices converted into new format offices (Stores)

1st bank on the IBEX 35 to fully eliminate its carbon footprint

Stamp of Excellence Europe 500+, with a score of over 650 points AENOR and Club Excellence in Management

Main awards and recognitions

RECOGNITIONS ON A GLOBAL SCALE

Bank of the year 2018 in Spain
The Banker

Best bank in the world for individuals 2018 and Best bank in Spain in 2018
Global Finance

Best private bank in Spain, 2018
Euromoney

Most responsible financial entity and with the best corporate governance
Merco

RECOGNITIONS IN TECHNOLOGY

Best digital bank in Western Europe 2018
Euromoney y Global Finance

Most innovative financial entity in Western Europe 2018
Global Finance

Best technological Project in the mobile category 2018
The Banker

Innovative Touchpoints & Connected Experiences 2018 (CaixaBank Now App)
Bank Administration Institute

CaixaBank's mission is to contribute to the financial well-being of its customers and the progress of society

Similarly, through its marked social vocation, CaixaBank prioritises the promotion of savings and welfare, financial inclusion and active policies to help solve social problems, with a commitment that goes beyond their financial activity. Financial inclusion is a key factor in reducing extreme poverty and promoting shared prosperity. Therefore, it is a priority to favour access to financial services for all and reinforce physical and technological access to encourage the inclusion of people with physical or cognitive difficulties.

- **A close and accessible bank.** CaixaBank offers a service of proximity to customers that encourages access in all its channels. At present, 91% of citizens have a CaixaBank Branch office in their municipality.
- **MicroBank**, the social bank in the Group, is the only bank in Spain devoted exclusively to granting micro-loans and it has become a benchmark in Europe.
- **Facilitating access to housing.** CaixaBank has an active policy of assistance with the difficulties of accessing housing for the first time in collaboration with the “la Caixa” Banking Foundation.
- **Promoting financial culture.** In 2018 CaixaBank launched a Financial Culture Plan that includes an extensive programme of projects and initiatives. Their priorities are to disseminate via digital channels innovative content, awareness campaigns about questions related to finances and material for specific groups such as people with intellectual disability or the young.
- **Social action and volunteering.** CaixaBank’s social commitment goes beyond its financial activity and is organised through philanthropic and solidarity

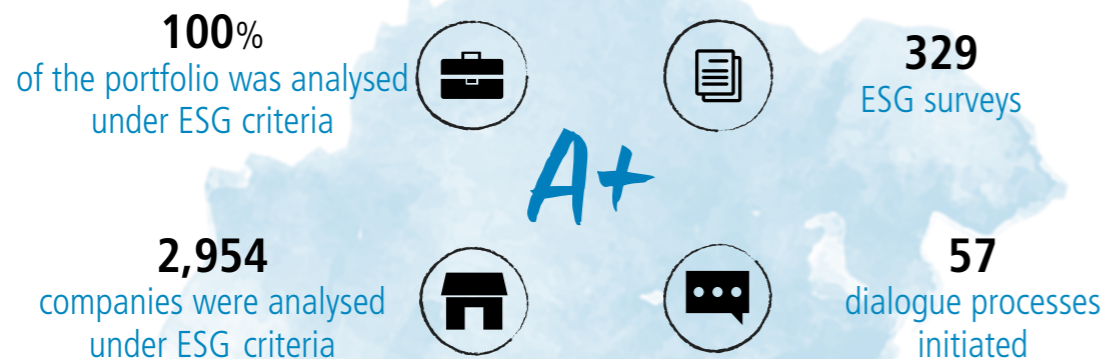
programmes that, through its alliance with the “la Caixa” Banking Foundation, contribute to providing opportunities for people and responding to their most pressing challenges. The “la Caixa” Association of Volunteers also stands out with more than 14,500 active employee volunteers from the Group and over 1.6 million benefactors since the programme started.



Leaders in socially responsible investment in Spain

The United Nations acknowledges VidaCaixa with the maximum qualification, A+, for its responsible management in investments.

All the assets managed by VidaCaixa, 83,996 million euros, are analysed under ESG criteria, environment, society and good governance. For the last 15 years the Company has been committed to socially responsible investment and in 2009 it was the first insurance company in Spain to sign the United Nations Principles of Responsible Investment (PRI). In 2018 the Company obtained the maximum qualification, A+, as a life insurance and pension plan company.



 Other awards and recognitions

 Watch advertisement  Blog VidaCaixa

 Learn more about VidaCaixa's responsible investment



GOOD GOVERNANCE

Management based on our corporate values of ethics and transparency

Good governance and the proper management and control of VidaCaixa falls on the Board of Directors.

A solid Corporate Governance enables companies to have an efficient and methodical decision-making process that transmits clarity in the assignment of responsibilities, thus avoiding possible conflicts of interest while ensuring efficiency in risk management, internal control and the furtherance of transparency. In accordance with our commitment to our mission and vision, integrating Good Corporate Governance practices in our activity is necessary and indeed a strategic priority to achieve a well-governed and well-managed company and be recognised for it.

VidaCaixa's Corporate Governance Policy, aligned with CaixaBank's, is founded on the corporate values of the Group.

VidaCaixa's Board of Directors has the mission to direct, manage and represent the Company. In 2018 a total of 6 Board Meetings were held.

Consejo de Administración de VidaCaixa

CHAIRMAN	Gortázar Rotaeché, Gonzalo
VICE-CHAIRMAN	Mercader Miró, Jordi
VICE-CHAIRMAN	Muniesa Arantegui, Tomás
BOARD MEMBERS	Allende Fernández, Víctor Manuel
	Capella Pifarré, Nativitat Pilar
	Deulofeu Xicoira, Jordi
	Gil Aluja, Jaime
	Guàrdia Canela, Josep Delfí
	Ibarz Alegría, Javier
	Jiménez Baena, Paloma
	Leal Villalba, José María
	Rosell Lastortras, Juan
	Valle T-Figueras, Javier*
	Valls Maseda, Miquel
	Villaseca Marco, Rafael
SECRETARY. NON-BOARD MEMBER	Figueres Fortuna, Óscar
VICE-SECRETARY. NON-BOARD MEMBER	Pernía Martín, Pablo

*As of 1st January 2019, Javier T-Figueras was appointed as a new Board Member of VidaCaixa.

Appointment as Board Members:

Ms. Paloma Jiménez Baena. Date of appointment: 22nd March 2018.

Mr. Rafael Villaseca Marco. Date of appointment: 26th July 2018.

Appointment as Vice-Secretary, Non-Board Member:

Mr. Pablo Pernía Martín. Date of appointment: 24th July 2018.

Resignation as a Board Member presented by Mr. Vilarasau. Date of presentation of resignation: 26th June 2018. Effective date: 30th June 2018.

Resignation as Chief Executive Officer presented by Mr. Muniesa, renouncing all his executive functions. Effective date: 22nd November 2018.

System of governance, control and risk management

The CaixaBank Group has an efficient system of governance, management and risk control that is aligned with its business model, the expectations of its stakeholders and best international practices.

The proper management of risk is essential for business. The system of governance, management and risk control of the CaixaBank Group is composed of:

Governance and organisation:
they ensure the proper protection by the governing bodies and committees, as well as by the specialisation of the human team.

Internal control framework:
Structure based on the model of three lines of defence.

Culture of risks:
This is organised through the general principles of risk management.

Strategic processes of risk management:
Identification and evaluation of risks, taxonomy and definition of risks, framework of risk appetite and planning.



Improving good business information practices for customers

In 2018 VidaCaixa adhered to UNESPA's Guide of Good Practices in individual life-risk insurance.

In 2018 the main advances in transparency were:

- VidaCaixa's adhesion to UNESPA's Guide of Good Practices in individual life-risk insurance. This guide aims to increase the transparency and understanding of individual life-risk insurance for consumers, promote certain good practices in the sale of this insurance and facilitate the comparison of products in the pre-subscription phase. VidaCaixa undertakes to provide its customers, prior to the subscription to the individual life-risk insurance, with an information note of the content included in the guide.
- The period of adaptation to the obligations derived from the Good Practices Guide shall be three months from adhesion, as far as good practices in the sale of individual life-risk insurance are concerned, and until 31st December 2019 for the adaptation to the Information Note.
- After the reform of Pension Plans and Pension Funds Regulation, the fees applied to the participants and beneficiaries of the pension plans were reduced. In the regulations of the pension plans there is also an indication of the daily value applicable in the operations with an annual report to employment plans participants, who have ceased their employment relationship with the promoter, on whether they can move their rights to another plan.



A corporate culture for an agile, innovative and transversal organisation

Culture as an element of change, continuous training and commitment to innovation have all driven our commercial management, quality of service and VidaCaixa's results.

With the aim of continuing to foster change in VidaCaixa and develop our internal culture, the **People Management Plan** based its work on five lines of improvement: working more agilely, more transversally and more innovatively for our customers, improving the quality of management and getting the maximum potential from our talent.

#VidaCaixa_Contigo

In like manner, **Innovida** moved up to and consolidated a new level of initiatives hitherto untried. Focussed on truly creating value for VidaCaixa, several initiatives were launched aimed mainly at boosting internal talent and creating solutions that profoundly transform our ways of working while driving the future of the Company.

Innovida

Finally, innovation was also a constant in **training** VidaCaixa's employees and managers. The application of gamification techniques led to the creation of Negociópolis, a board game that puts our employees in the shoes of their customers, that successfully completes the training of business managers.

Training



A wide and flexible range of solutions for each necessity

VidaCaixa continues to extend its range of products to adapt to all needs with solutions permanently managed under responsible criteria

In 2018 VidaCaixa continued to maintain its commitment to excellence in the long-term management of its customers' savings. Through the "VidaCaixa Investment Management" web, which received more than 100,000 visits in 2018, CaixaBank's managers were able to access the content and useful information so that they could advise their customers. Moreover, through the Fiscal Savings Guide, CaixaBank's branch offices improved their knowledge in fiscal savings matters, thereby responding in detail and in length to the questions on this subject raised by customers.

Similarly, VidaCaixa continued with its policy of encouraging savings among its customers with the launch of new products to cover their needs during the period of accumulation, protection and disposal, with special emphasis on periodic savings. In addition, VidaCaixa offered part of its range of risk products under the umbrella of CaixaBank's Family.



Focussed on service to the customer and the network

VidaCaixa renewed its ISO 9001:2015 certification to manage funds and employment pension plans.

VidaCaixa continued its policy of encouraging savings among its customers with the launch of new products to cover their needs during the period of accumulation, protection and disposal, with special emphasis on periodic savings. In addition, VidaCaixa offered part of its range of risk products under the umbrella of CaixaBank's Family. VidaCaixa guarantees a top-class service based on the constant improvement of the customer experience and on the innovation in relationship processes with CaixaBank's branch network and with customers.

In 2018 VidaCaixa continued to move forward in its listening to customers to find out how they value the experience with the brand and design new actions that improve the customers' perception of quality. Likewise, VidaCaixa advanced in its improvement in the efficiency in processes to offer the best possible service to its customers. The improvement in operational excellence and the customer experience had a positive impact on customer satisfaction rates.

Customer experience

Stage programme for employees

Listening channels



Operational excellence

Electronic Inbox

Location of policyholders

New cognitive assistant

Management of group pension plan entrances coming from other entities



We continue to improve our rates of satisfaction

Breakdown of the projects



Accessibility, dialogue and responsible answers

VidaCaixa launched a new web, with a more simplified structure, and started a new Portal for Groups, a new consultation and management digital platform for mediators and policyholders.

The relationship between customers and VidaCaixa takes place via different online channels, thereby making it easy for customers to access and obtain responses from any place and at any time, 365 days a year. The main novelties in 2018 were:

- The launch of a new corporate web, with a more simplified browsing structure and a responsive design for all devices. The web integrates VidaCaixa's blog and improves the bidirectional communication with customers as well as optimising our organic positioning in Google. The web's new redesign uses innovative techniques such as heat maps and retina analysis, the result of which enables the new web to be structured from three vital stages: "I am young and I wish to protect my future", "I am starting to think about my retirement" and "I want to enjoy my retirement".
- Implementation of the Group Portal: this commitment to innovation allows mediators and policyholders to access the web to consult all the billing of their portfolio as well as manage all their documentation online. This is also true for groups insured by risk policies. Apart from agility, the platform lets policyholders visualise the amount of the premium of all the communicated movements in less than 15 minutes, while being accessible from any device, whether fixed or mobile and for all operating systems. The system was developed with the highest security standards, in line with CaixaBank's policies.



Promoting a culture that favours savings by our customers

VidaCaixa continued its contribution to improve the culture of saving by our customers and indeed by society itself.

- During the Control Commission Forum VidaCaixa presented its Barometer under the title "How much do we know about economy?", whose theme was about the financial culture of citizens. Through a series of surveys to 1,651 people, VidaCaixa's Barometer showed the low level of financial education of the Spanish population.

🔍 Discover the results of the Barometer

🔍 Find out the details of XI Control Commissions Forum

- In 2018 VidaCaixa continued its work of orienting its customers when the time came to protect themselves and manage their savings before and after retirement. For the fourth consecutive year, VidaCaixa organised the CaixaBank Futuro Encounters, where a total of 5,881 customers attended with a high degree of satisfaction.



121 towns

*CaixaBank Futuro
Encounters
in 2018*



322 sessions

1,511 sessions accumulated
since the start (2014)



5,881 attendees

69,311 attendees since the start
(2014)



RESULTS

VidaCaixa leads, for the very first time, all the rankings in the sector in Spain

VidaCaixa maintained a sustained growth, consolidating the strength of its results as the leading company in the insurance sector in Spain and closed 2018 with a net profit of 662.7 million euros, 4.5% more than in 2017.

VidaCaixa continued on the path of excellent results and in 2018 reached the first position in all the insurance rankings in Spain, after surpassing its competitors for the first time in employment pension plans. It consolidated its leadership with a market share of 28.4% of all premiums and 24.1% of pension plan assets.

The Company managed 83,996 million euros in resources. At the close of 2018 it exceeded 10,700 million euros in premiums and contributions and had more than 5.2 million customers in Spain and Portugal.

It is the private entity that most pays out benefits that amounted to over 4,500 million euros.

📍 Leader in resources, premiums and contributions

📍 Leader in the life insurance market

📍 Leader in long-term savings

📍 Press release of the results



27
companies of the IBEX 35



+1,000
multi-national companies

333
public bodies

70,000
SMEs and self-employed workers

*Includes Spain and Portugal.



Do you want to know more?

History of VidaCaixa

VidaCaixa Group

- 2018** ★ THE FIRST AND ONLY INSURANCE COMPANY AND PENSION FUND MANAGER IN SPAIN WITH THE HIGHEST SCORE IN RESPONSIBLE INVESTMENT FROM THE UNITED NATIONS
- 2017** + BPI Vida e Pensões
- 2016** ★ VidaCaixa consolidated its leadership
+ Barclays Vida y Pensiones
- 2015** ★ VidaCaixa, the largest insurance company in Spain
- 2014** ◎ CaixaBank Futuro
- 2013** + Insurance business of *Banco de Valencia*
- 2012** + Insurance business of *Banca Cívica*
- 2011** ★ *Mutua Madrileña* acquired 50% of *SegurCaixa Adeslas*
- 2010** + Adeslas
+ Insurance business of *Caixa Girona* and *Bankpyme*

SegurCaixa Holding

CaiFor

- 2009** ★ Adhesion to the United Nations Global Compact
★ Adhesion to the Principles of Responsible Investment (PRI), 1st Spanish company in the sector.
★ Recognition as EFR (Family Responsible Enterprise)
- 2008** + Morgan Stanley Pension Funds
- 2007** + Shares of the Insurance Group held by Fortis were acquired
- 2004** + Santander Previsión y Génesis
- 2003** + Swiss Life
- 1992** ◎ CaiFor (shareholder agreement with Fortis)
- 1915** ★ The first homage to old age
- 1905** ★ The first pension books in Spain
- 1904** ◎ Caja de Pensiones para la Vejez y de Ahorros

📍 Leader in the insurance sector in Spain

- ◎ Creation
- ★ Milestone
- + Acquisition/Integration

Other awards and recognitions

VidaCaixa

2008

Best manager of fixed income plans
Allfunds Bank y Expansión

2009 2010

Best manager of fixed and mixed income pensions plan
Expansión e Interactive Data

2017

Best manager of pension funds
Allfunds Bank y Expansión

Pensions Caixa 30

2008 2011 2012 2013 2014 2016

Best Spanish pensions plan
Revista IPE

PlanCaixa 10 Seguridad

2008

Best fixed and mixed income pension plan
Expansión

PPI Deleg.

2008

Best fixed and mixed income pensions plan
Expansión

PlanCaixa Ambición

2010

Best fixed income pension plan
Expansión

2011

Best fixed income pension plan
Morningstar y El Economista

PlanCaixa Activo Variable

2013

Best global variable income plan
Morningstar

PlanCaixa Selección

2013

Best European variable income pension plan
Allfunds Bank Investment Research

2014

Finalist in European variable income plan
Expansión

PlanCaixa Activo Oportunidad

2014 2015

Best aggressive multi-active plan
Allfunds Bank y Expansión

PlanCaixa 10 Ahorro

2014

Finalist in global fixed interest plan
Expansión

2015

Best euro fixed income pension plan
Morningstar

PlanCaixa Bolsa Internacional

2014 2015

Best global variable income pension plan
Allfunds Bank Investment Research

2017

Finalist in global variable income pension plan
Allfunds Bank y Expansión

PlanCaixa Ambición Global

2015

Best moderate mixed income pension plan
Morningstar

PlanCaixa Oportunidad

2015

Best aggressive mixed income pension plan
Morningstar

PlanCaixa Futuro 170

2017

Best fixed income pension plan
Expansión

Pensions Caixa 21

2017

Best Spanish employee pension plan
Revista IPE

Pensions Caixa 128

2017

Best global fixed income pension plan
Allfunds Bank y Expansión

Audit and Control Committee

In 2018 there were 6 meetings of the Audit and control Committee. The following changes were made to the composition of the Committee:

Audit and Control Committee

CHAIRMAN	Gil Aluja, Jaime
MEMBERS	Jiménez Baena, Paloma* Deulofeu Xicoira, Jordi**

*Appointed on 22nd March 2018.

**Appointed on 21st March 2018.

The functions of the Audit and Control Committee are as follows:

- Inform the Annual General Meeting on questions raised by shareholders at the Meeting on matters of its competence, especially on the result of the audit and explain how it contributes to the integrity of the financial information and the function the Committee carries out in this process.
- Supervise the efficiency of the Company's internal control, internal audit and systems of risk management, as well as discuss with the account auditors the significant weaknesses of the internal control system detected in the course of the audit without jeopardising its independence. To this end, and if appropriate, it may submit recommendations or proposals to the Board of Directors with the corresponding deadline for their follow-up.
- Supervise the process of drawing up and presenting the regulated financial information and present recommendations or proposals to the administrative body charged with safeguarding its integrity.
- Propose to the Board of Directors the selection proposals, appointment, re-election and substitution of the external auditors, taking responsibility for hiring in accordance with regulation applicable to the Company, as well as their hiring conditions and regularly

gather information from them about their auditing plan and its execution apart from preserving their independence in carrying out their functions.

- Set up timely meetings with the account auditor, so as to receive information on those questions that may put his independence at risk, for his examination by the Committee and anything else related to the auditing of the accounts and, when appropriate, receive the authorisation of services other than those prohibited under the terms of the applicable legislation in relation to the Independence regime, as well as those other communications foreseen in the legislation of account auditing and auditing standards. In any case, they must annually receive from the account auditors a declaration of their independence in relation to the company or companies linked directly or indirectly to them. They must also receive information on whatever additional services are provided and the corresponding fees the external auditor or the people or companies linked to them received from those companies in accordance with the legislation set out on account auditing.
- Annually issue a report, prior to the issue of the account auditors' report, expressing an opinion on whether the independence of the account auditors is compromised. This report must contain, in any case, the value of all the additional services provided, which the previous paragraph refers to, on an individual and overall basis that are different from the legal audit and in relation to their Independence or to the rules governing account auditing.
- Report, prior to the Members of the Board, on all the matters foreseen in the law and in the Company statutes and, in particular, on the financial information the Company must publicly publish from time to time, the information reported by those responsible for running the company, the creation or acquisition of stakes in special purpose companies or domiciled in countries or territories that are considered tax havens and the operations with the associated parties.



Responsible management based on our corporate values of ethics and transparency

Appointments and Remunerations Committee

Composition of the Appointments and Retribution Committee:

Appointments and Retributions Committee

CHAIRMAN	Valls Maseda, Miquel
MEMBERS	Ibarz Alegría, Javier Gil Aluja, Jaime

In 2018 there were 6 meetings of the Appointments and Retributions Committee.

The functions of the Appointments and Retributions Committee are as follows:

- Evaluate the competences, knowledge and necessary experience of the Board of Directors.
- Set a goal for representation of the least represented gender on the Board of Directors and draw up guidelines on how to achieve that objective.
- Submit to the Board of Directors the proposals for the appointments of independent Board Members so that it may so designate them or take it upon itself to submit them to the AGM for decision as well as submit proposals for the re-election or separation of those Members by the AGM and report on appointments of the other Board Members.
- Report on the appointments and dismissals of Senior Executives and the basic conditions of their contracts.
- Examine and arrange the succession of the Chairman of the Board of Administration and the chief executive of the Company and, where necessary, make proposals to the Board of Administration so that said succession takes place in a planned and orderly manner.
- Propose to the Board of Directors the retribution policy of the Members and the General Managers or those who undertake the functions of senior management that depend directly on the Board, the Executive Committees or Chief Executive Officers, as well as the individual retribution and other contractual decisions of Executive Board Members while safeguarding their observance.



Responsible management based on our corporate values of ethics and transparency

Management Committee

Composition of VidaCaixa's Management Committee:

Management Committee

Managing Director (Chairman)	Valle T-Figueras, Javier
Assistant General Manager (Economic-Financial)	Arenillas, Jordi
Assistant General Manager (Commercial)	Iglesias, José Antonio
Assistant General Manager (Investments)	Moreno, Ernesto
Assistant General Manager (Resources)	Nicolau, Jorge
Manager (Actuarial and Risk)	Montañés, Josep*
Manager of Bancassurance Channel	Muro, Luis*
Manager Legal Dept and Compliance	Pernía, Pablo
Manager Internal Audit	Plana, May

*Appointed on 18th May 2018.

#VidaCaixa_Contigo

"I am involved with my team"

- 100% of managers assessed.
- 11 sessions of empowerment.
- + 70 hours of management coaching given.
- 2nd edition of VIDD training (VidaCaixa and Manager Development).
- 1st edition of VIDD Alumni.

"I promote the creation of new ideas and change"

- 54,000 hours of online training, +6% over that in 2017.
- 28,300 hours of face to face training, +150% over that in 2017.
- +33% of investment in training.
- 63 selection processes, of which 70% were covered internally.

"I work nimbly"

- + 20% of staff enjoy flexibility and mobility measures.
- Virtaula, the online training platform, was improved.
- First training in Technological Projects on *Agile* methodologies.

"I help build"

- New platform of development and people: "It's me".
- Campaign for departmental proposals and by areas.
- Key knowledge-based project of the Company.
- 2 people sent to VidaCaixa's BPI Vida e Pensões.

"I always think about our customers"

- The Behaviouralist Club, with some 50 people in the online community.

Employees



As at 31st December 2018

Innovida, people-driven innovation

INNOVIDA fosters innovation in VidaCaixa via its three major lines of action. Different actions stem from each line, but all of them have a common goal, which is to empower the talent in the Company to produce solutions that create memorable experiences for customers.

Creativity, disruption and open innovation

- Innovida Journey. With the aim of transforming the Company based on innovation, three teams accelerate innovation ideas through design thinking and the theory of U to bring them to life with real value impacts.
- VidaCaixa Open Era. Creation of a relationship vehicle with dynamic ecosystem start-ups, focussed on generating collaboration opportunities and turning VidaCaixa into a highly relevant key player in this ecosystem.
- Imagine Express 2018. The 3 winners of Innova Idea 2017 participated in the 4-day disruptive innovation programme Imagine Express.

Inspiration and dissemination

- *Innovation Newsletter*. 5 newsletters were published in 2018, all of which were written entirely by internal talent.
- Innovida Inspira. Inspiration in technologies and emerging trends that are shaping the future through events

are open to the whole organisation and accompanied by dynamic case studies.

- A new space on the Intranet setting up a repository of ideas that contain VidaCaixa's history of ideas that is accessible to all the organisation.

Training, culture and ways of working

- Practical introduction to VidaCaixa in Agile methodologies. Innovation Training Plan. Two promotions have already graduated from this Training Plan that is given by renowned experts who train our people in tendencies, creativity, design thinking, prototyping and pitch.
- Innovida Team. 24 people from all areas of the Company who drive innovation.
- Interaction of the Innovation Services Catalogue to bring innovation to the whole organisation.



A corporate culture for an agile, innovative and transversal organisation

Training

The continuous training of VidaCaixa employees and the CaixaBank Branch network aims to offer the best counselling and improve the customer experience.

VidaCaixa's Welfare School.

VidaCaixa's training is split into three levels: the standard level, which is mandatory for all new staff; the postgraduate level of expert in savings and welfare, which is recognised with university credits by the UPF university and which completed its fifth year in 2018; and the advanced level, which is in its development stage.

Training the sales network. The first edition of the postgraduate course in Information and Financial counselling, certified by the UPF university was completed. The programme was directed at professionals who advise their customers about investment products and services that VidaCaixa sells.

School of Sales in long-term savings and risk. This programme provides a certification and diploma of the ESIC Business School. With an approach based on behavioural economy and a theoretical-practical methodology, it pursues the search for excellence and homogenisation of VidaCaixa's commercial network in terms of planning, follow-up and prioritisation of commercial goals.

Training the CaixaBank channel.

Among the initiatives carried out in 2018, the following stand out:

- Participation in the welcoming programmes for new CaixaBank employees, new Premier Bank staff and new employees from the business segment.
- Training for managers in collaboration with ICEA and the University of Barcelona.
- Training Private Banking managers. There was a training session on retirement planning and a course for Private Banking managers in which welfare counselling was taught.
- Training for Retail Banking employees. VidaCaixa collaborated in providing skills training to CaixaBank Branch network employees.
- Training was given specifically to CaixaBank Basque Country employees about the modification in the EPSV regulations.
- Specific tailor-made training was given to some of CaixaBank's Territorial Offices.

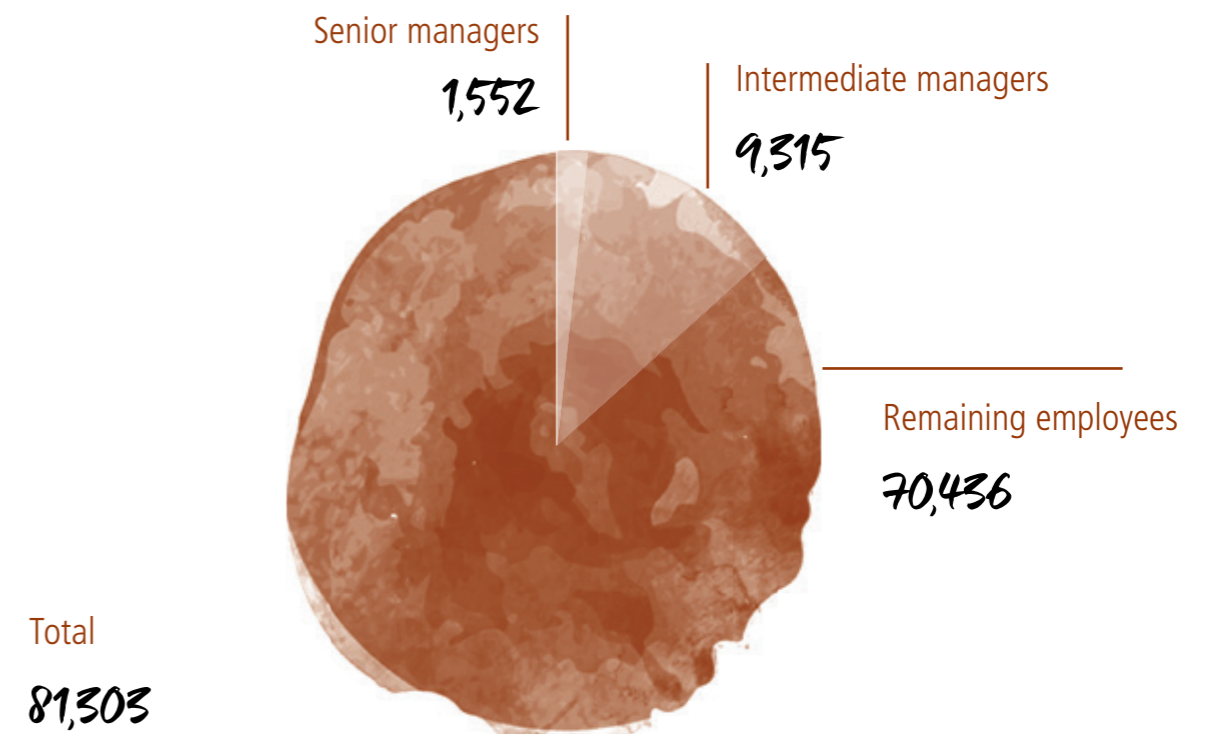
Gamification.

- Negociópolis is a role-playing game initiative for VidaCaixa managers. Through gamification techniques they put themselves in the shoes of their customers and experience personal and professional situations

the self-employed face. This training experience significantly improves VidaCaixa's employees' knowledge of customers

VidaCaixa Training

Hours



🔄 **A corporate culture for an agile, innovative and transversal organisation**

At 31st December 2018

Protection for people and universal welfare to maintain quality of life in retirement

In 2018 VidaCaixa continued innovating with the launch of new life-savings products that cover the needs of their customers over their different phases: accumulation, protection and disposal.

- **Accumulation.**

Apart from promoting the culture in favour of periodic and recurring savings, VidaCaixa worked on facilitating multi-channel access to a wide range of pension plans and PIAS. (Life Annuities)

- **Protection.**

VidaCaixa Nómina was launched. It is a product for CaixaBank customers with a domiciled pay role that enables income to be easily guaranteed for as little as 10€ a month.

Similarly, for risk products and through the Family Pack, with the subscription of a second policyholder, VidaCaixa offers 350,000 € in the case of death of one subscriber and up to 1 million euros for the death of both.

For companies, Vidacaixa launched Seviam for Companies, a risk product linked to a credit or a business loan where the policyholder is the company.

- **Disposal.**

The launch of Unit Linked Valor Activo is a outstanding innovation on the market. This solution lets a person plan the family estate while providing profitability on savings.



Customer experience, operational excellence and satisfaction

Customer experience

- **Stage Programme.** VidaCaixa's employees personally experienced how CaixaBank branch offices and business centres work. They detected opportunities for improvement that provide responses to the needs of customers.
- **Active listening channels.** For VidaCaixa, listening to customers and the Branch office network is paramount. The listening workshops, training sessions, the intranet and the presentations of customer satisfaction results are all key elements for the dissemination of the customer experience culture.

Operational excellence

- **Electronic inbox.** This new channel, which replaces the physical inbox, guarantees the protection of data in the processing of benefits and claims in pension plans and life insurance.
- **Localisation of policyholders.** VidaCaixa continued to speed up the localisation of beneficiaries to pay out insurance benefits. In 2018 some 597,874 euros were paid out, which was 42% more than in 2017.
- **New cognitive assistant for the network.** The VidaCaixa Contact Center collaborated with the training of the new cognitive assistant for CaixaBank. 350,000 queries were answered, 60% of which were responded by the cognitive assistant.
- **Entries of group pension plans from other entities were set up and managed.** These amounted to 114 million euros, which corresponded to 5,700 participants.
- **More than 355,000 contacts were managed,** of which some 273,400 corresponded to enquiries to the Contact Center and 81,832 were requests from branch offices to operations areas.

Stage: experiences that unite us



91
employees
participants



46
offices and
business centres



85
identified
improvements



9.1
average valuation
of the programme
by employees

Result of the customer and channel surveys

NPS* INDIVIDUAL
CUSTOMERS CAIXABANK

11.1%

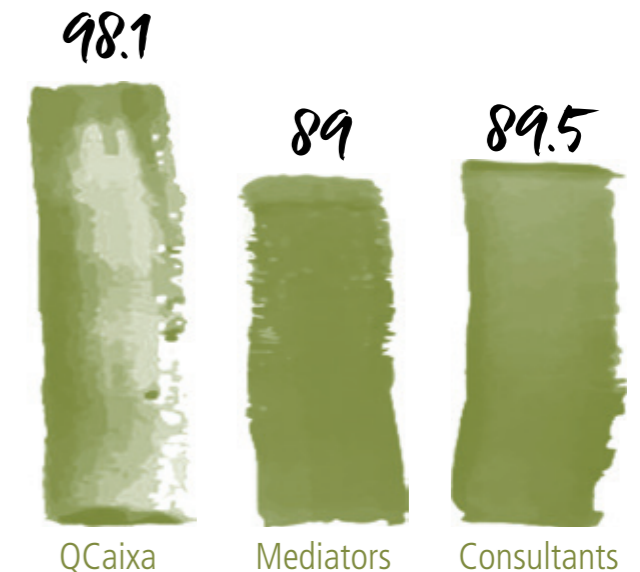
NPS* BUSINESS
CUSTOMERS CAIXABANK

22.7%

NPS* GROUP
CUSTOMERS

42.7%

CHANNELS (% satisfaction)



*Net Promoting Score. This is the result of subtracting the % of detractors (with a score of 0 to 6) from the % of promoters (with a score of 9 to 10). In the Consolidated Management Report of the CaixaBank Group additional information is included about the indexes of Customer Satisfaction.

Products and actions available through CaixaBankNow in 2018

In 2018 VidaCaixa continued its commitment to homogenisation of the CaixaBankNow Web, Mobile and new CaixaBank APP operations. During the year, VidaCaixa incorporated B2B and the direct subscription of the Gama Destino Pias and Plan Futuro Flexible PIAS, R2B of Life Annuities and the VidaCaixa Nómina life insurance. Apart from that, the savings insurance imagin&PIAS was also added, this being the second product under the ImaginBank umbrella. Similarly, improvements were made in the recruitment and consultation processes.

LIFE-RISK	Vida Familiar SEVIAM Abierto Seguro imagin&Préstamo VidaCaixa Nómina	Subscription on web and R2B Subscription with Digital Health Survey on web and R2B Subscription to Seviam Click&Go on web, R2B and ATMs Renunciation on web (First 30 days) No renovation on maturity on web Duplication of documents on web Protection map on web Advice model A Medida TIME Consultation on web and mobile
	Collective agreement insurance	Subscription Modification of number of policyholders Consultation on web and mobile
LIFE-SAVINGS	Libreta Futuro Asegurado Plan Ahorro Asegurado (PIAS) Cuenta Caixa futuro-PIAS Cuenta Caixa futuro-SIALP Plan Futuro Flexible - PIAS PIAS Destino Rentas vitalicias Valor Activo Unit Linked Imagin&PIAS	Subscription Cuenta Caixa futuro-PIAS on web, mobile and R2B Subscription Cuenta Caixa futuro-SIALP on web, mobile and R2B Subscription Gama PIAS Destino on web and R2B Subscription Plan Futuro Flexible PIAS on web and R2B Subscription Annuities via R2B Periodic and extraordinary contributions to Cuenta Caixa futuro-PIAS and Cuenta Caixa futuro-SIALP on web, mobile and R2B Extraordinary contribution to Plan de Ahorro Asegurado on web and mobile Renunciation on web (first 30 days) Application for full surrender on web Application for duplication of documentation on web Consultation on web and mobile
PENSION PLANS, EPSV and PPA	Individual plans PPA Joint promotion and associated Plans EPSV	Subscriptions and contributions on web, mobile and R2B Internal transfers between plans on web and R2B External transfers to other entities on web, mobile and R2B Revocation of external transfer with or without internal transfer via R2B Access to retirement simulator on web and CaixaBank Portal Access to savings calculator on web Simulator to help choose the plan or EPSV that best suits the customers on web, mobile and CaixaBank Portal Catalogue of plans and EPSV on web, mobile and CaixaBank Portal Comparison of plans on web Consultation of historic profitability on web Change of linked account on web Designation of beneficiaries on web Management of financial income on web Record of plan on web, mobile and CaixaBank Portal Hazte Cliente process via R2B Consultation on web and mobile
	Employee pension plans	In addition to the above, special consultation on Control Committee

XI Control Commission Forum

In 2018 the Forum included corporate social responsibility in the agenda of the control commissions.

The Control Commission Forum in 2018 reached its 11th edition under the slogan “Together, inspiring the future. Social Responsibility. Sustainability. Current Affairs. Debate”. It brought together over 350 members of Spanish control commissions and tackled the question of how corporate social responsibility is impacting companies.

This event debated how the incorporation of social, environmental and good governance criteria in the management of investments not only generated a positive impact, but was also profitable.

The Barometer of VidaCaixa was presented at the Forum with the title “How much do we know about economy?”. The most relevant fact was the importance of improvements control commissions could make to the financial knowledge of the participants to correctly plan their future and guarantee the well-being and quality of life after retirement.



Barometer of VidaCaixa



Level of financial education

- 1 out of 4 citizens believes that his or her financial education is insufficient.
- 40% consider their level of knowledge to be very low.
- 7 out of 10 surveyed believe that the level of financial knowledge is below that of citizens from other European countries.
- 24% believe they would fail an examination on basic financial knowledge.
- 97% think it is necessary to improve their level of financial knowledge.



Knowledge of personal finances

- 6 out of 10 surveyed do not know how to make a personal budget.
- 77% do not know how the public pension is calculated.
- 8 out of 10 are not aware of how much they will receive when they retire.



Awareness of products

- More than 81% of those surveyed know how current accounts, loans, mortgages, life insurances and pension plans work.
- 46% do not know what a PIAS and/or a SIALP is.
- 74% do not know what Unit Linked products are.

¿Cuánto sabemos de economía?

1 de cada **4** españoles cree que su educación financiera es insuficiente



RESULTS

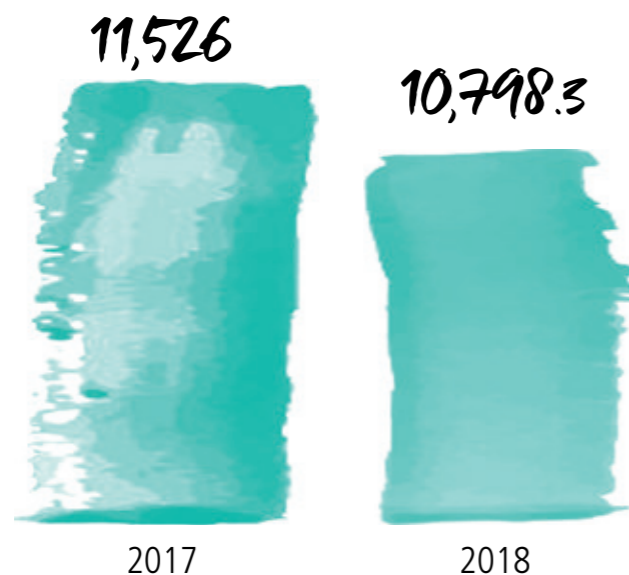
Leaders in resources, premiums and contributions: VidaCaixa is the insurance entity that manages most resources

VidaCaixa managed 83,996 million euros, 11.7% more than in 2017, and a total of 10,798.3 million euros in premiums and contributions.

Of the 83,996 million euros under management, 50,505 million euros correspond to insurance (+5%); 26,564 million euros belong to pension plans and EPSV (-1%), and 6,927 million euros correspond to BPI Vida e Pensões (VeP).

The volume of premiums sold amounted to 10,798.3 million euros, 6.3% less, after major growth in 2017.

*Premiums and contributions**
(In M€)



-6.3%

*Managed funds**
(In M€)



+11.7%

🏆 VidaCaixa leads all the rankings in the sector in Spain for the first time

*Includes Spain and Portugal.

RESULTS

Leaders in the life insurance market: VidaCaixa exceeded the one thousand-million-euro mark in life-risk premiums for the first time

VidaCaixa consolidated its leadership position in the life insurance market with more than 50,000 million euros in insurance provisions.

VidaCaixa sold a total of 8,200 million euros in premiums, reaching a market share of 28.4%, 4.4% less, after extraordinary growth the previous year. In terms of volume, this exceeded 50,000 million euros, up 0.5 points to reach a market share of 26.8%. For the first time, VidaCaixa sold more than a thousand million euros in life-risk premiums, a figure that translated to an increase of over 20%. More than half of the premiums sold represented individual customers, which was 22% more. This growth was driven by the sales of Vida Familiar insurance products. In the group and company segment, premiums rose by 16.7% thanks to the growth in SME solutions.

Life insurance Ranking- Total of premiums

Assets (4Q 2018) (Variation with respect to 4Q 2017)

Market share

VidaCaixa	8,200	-15.0%	28.4%
Competitor 1	2,551	-9.0%	8.8%
Competitor 2	2,285	20.0%	7.9%
Competitor 3	1,947	31.4%	6.7%
Competitor 4	1,427	1.4%	4.9%
Total	28,914	-1.7%	

Life insurance Ranking- Total provisions

Assets (4Q 2018) (Variation with respect to 4Q 2017)

Market share

VidaCaixa	50,489	4.6%	26.8%
Competitor 1	16,806	-1.3%	8.9%
Competitor 2	15,225	2.1%	8.1%
Competitor 3	13,394	-3.7%	7.1%
Competitor 4	10,432	5.9%	5.5%
Total	188,089	2.4%	

👉 VidaCaixa leads all the rankings in the sector in Spain for the first time

Source: ICEA

RESULTS

Leaders in long-term savings: Boost to periodic savings

VidaCaixa obtained first position in employment and associated pension plans with a market share of 24.6%.

Promoting the habit of saving contributes to protecting the quality of life, a goal that can be found at the very heart of the CaixaBank Group since its origin. Therefore, at the end of the year, the periodic contributions to Individual Pension Plans (PPI), Individual Plans of Systematic savings (PIAS) and the Individual Insurance of Long-Term savings (SIALP) were one of the keys to growth in savings, which took in a total of 1,759 million euros. A million people, 10% more than the previous year, committed to this model, contributing an average of about 145 euros a month.

VidaCaixa has the broadest range of income on the market, which is yet another key to its business growth. These solutions brought in 3,580 million euros in premiums thanks to the excellent commercial performance of its Flexible Investment Life Annuity. Today, more than 325,000 customers complement their income with an additional guaranteed income.

VidaCaixa is the foremost entity in pension plans, leading the individual and group systems. The new contributions to individual pension plans exceeded 1,400 million euros. The CaixaBank Destino and CaixaBank Tendencias range are among the most sold on the market.

Thanks to digitalisation, the company provides channels for its customers that both help and promote savings. At the close of the year, 22.4% of new contributions to savings products were made online, tripling the 2015 figure.

 **VidaCaixa leads all the rankings in the sector in Spain for the first time**

Ranking of pension plans – Total market

Funds (4Q 2018) (Variation with respect to 4Q 2017)

			Market share
VidaCaixa	25,783	-1.3%	24.1%
Competitor 1	21,716	-2.9%	20.3%
Competitor 2	9,290	-6.3%	8.7%
Competitor 3	7,787	10.7%	7.3%
Competitor 4	6,205	-2.5%	5.8%
Total	107,033	-3.6%	

Ranking of pension plans – Group and Company system

Funds (4Q 2018) (Variation with respect to 4Q 2017)

			Market share
VidaCaixa	8,568	-2.4%	24.6%
Competitor 1	8,407	-6.8%	24.2%
Competitor 2	3,957	-3.6%	11.4%
Competitor 3	3,335	-6.9%	9.6%
Competitor 4	2,036	11.7%	5.9%
Total	34,785	-5.2%	

Ranking of pension plans – Individual System

Funds (4Q 2018) (Variation with respect to 4Q 2017)

			Market share
VidaCaixa	17,215	-0.8%	23.8%
Competitor 1	13,309	-0.3%	18.4%
Competitor 2	7,699	-6.2%	10.7%
Competitor 3	5,751	10.3%	8.0%
Competitor 4	3,861	-15.5%	5.3%
Total	72,247	-2.9%	

Source: Inverco

RESULTS

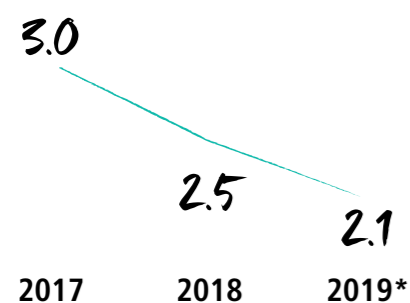
Economic environment: Evolution of the main economic indicators

The Spanish economy

The Spanish economy continued to advance favourably with a positive evolution of the main macroeconomic indicators, among which the recovery of employment and above average growth of the principal advanced economies stand out. Even so, there are signs of a global deceleration that force down the growth forecast for the coming years.

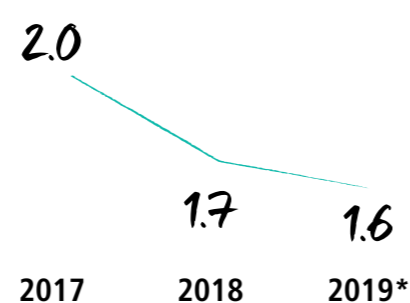
GDP

% annual variation



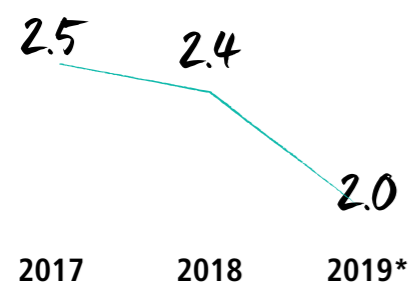
Inflation

%



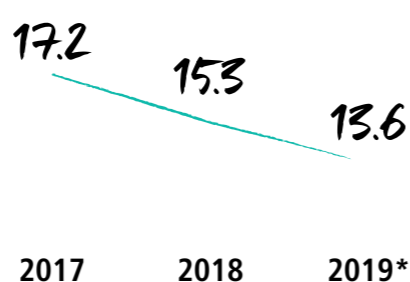
Household consumption

% annual variation



Unemployment

%



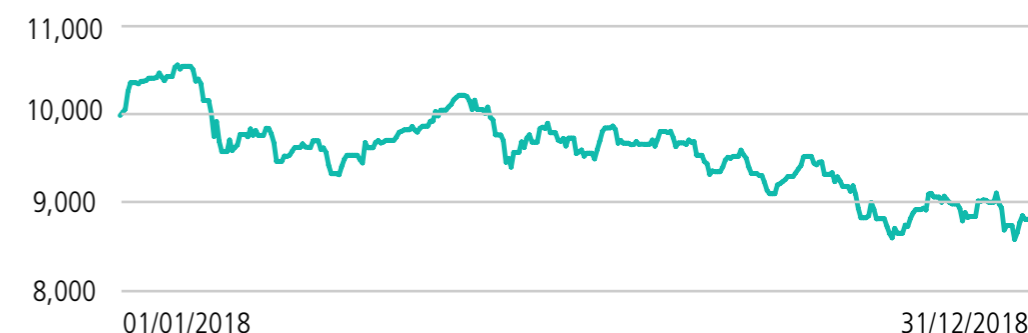
*Prevision

📈 VidaCaixa leads all the rankings in the sector in Spain for the first time

Evolution of the main economic indicators

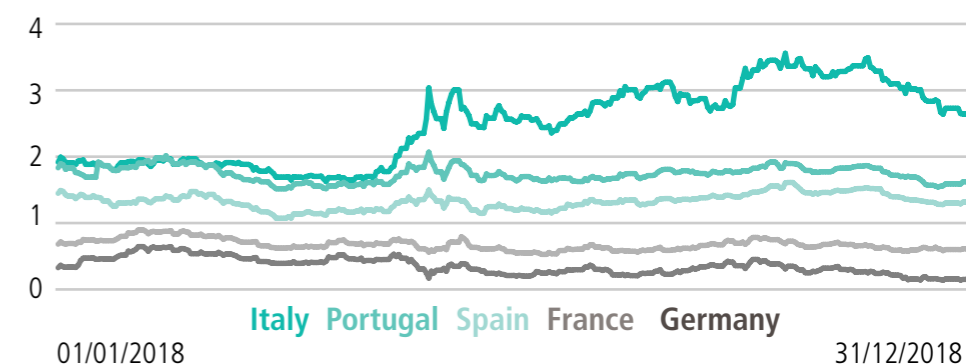
The fear of a slowdown in the economy, the trade tensions between the USA and China and the political instability in Europe all marked the evolution of the financial markets with high volatility. 2018 was a particularly negative year for the European stock markets, where the 15% fall in the IBEX35 stood out, which was its biggest annual decline since 2010. As far as public debt is concerned, the prolonged low interest rate situation on a global scale was reflected in a downward trend in Spain (-15 basis points on a 10-year bond).

IBEX 35



Debt at 10 years

Yield (%)



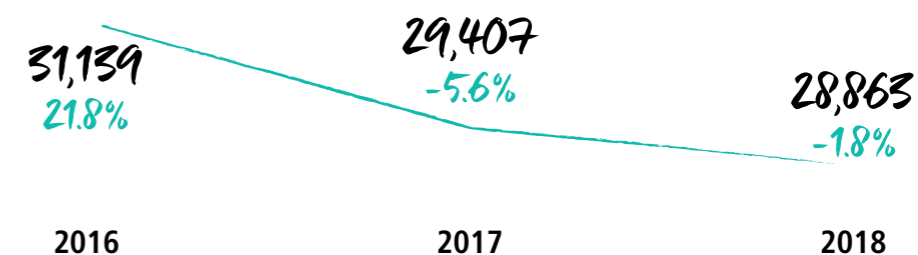
RESULTS

Economic environment: Evolution of the main sectorial indicators

In 2018 the Spanish insurance market continued its 2017 trend. The life insurance business decreased slightly its volume of premiums by 1.8% against the figure in 2017. This was due to the lower demand of life-savings products in an environment of low interest rates. However, the insurance business in general grew by 4% for the third consecutive year, mainly driven by the health sector.

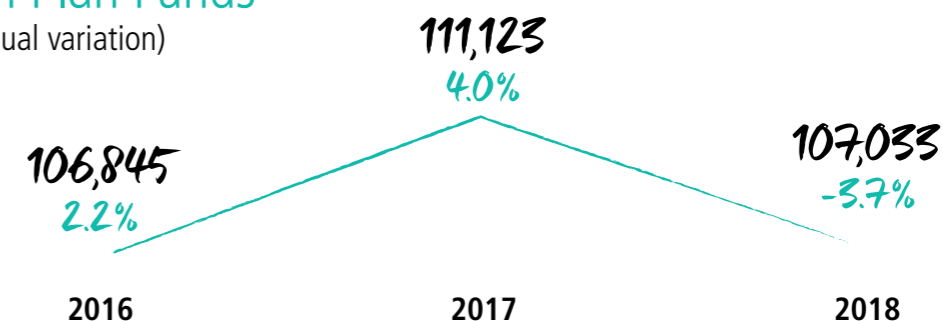
Life premiums

M€ (% annual variation)



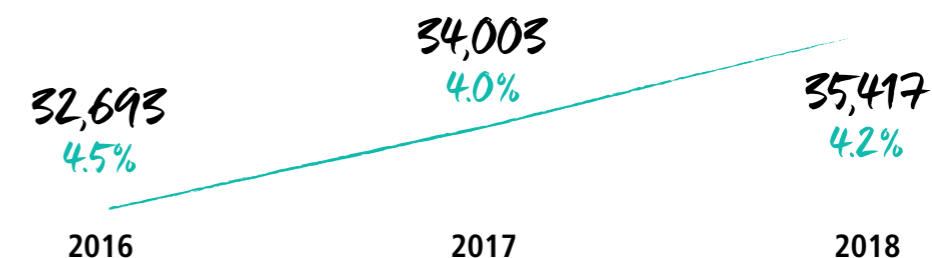
Pension Plan Funds

M€ (% annual variation)



Non-Life premiums

M€ (% annual variation)



🏆 VidaCaixa leads all the rankings in the sector in Spain for the first time



If you wish to make a comment or send us an inquiry on this report, you can avail of the following address: vidacaixa@vidacaixa.es
To access all the information related to Materiality, consult the [2018 Consolidated Management Report of the CaixaBank Group](#).